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TO RUEHC/SECSTATE WASHDC PRIORITY 2518
INFO RUEAIIA/CIA WASHDC
RUCPDOC/DEPT OF COMMERCE WASHDC
RHMCSSU/FBI WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC
RHEFDIA/DIA WASHINGTON DC
RUETIAA/DIRNSA FT GEORGE G MEADE MD

UNCLAS AIT TAIPEI 001248

STATE FOR EAP/TC, PM/DTCC AND ISN/MTR

STATE PASS TO AIT/W

PM/DTCC FOR BLUE LANTERN COORDINATOR RACHAEL-THERESE JOUBERT-LIN

SIPDIS

E.O. 12958: N/A

TAGS: ETTC KOMC TW

SUBJECT: TAIWAN: RESULTS OF BLUE LANTERN BROKER INQUIRY CHECK ON
CASE NO. K-0812

REF: SECSTATE 99479

¶1. (SBU) Per reftel request, AIT Econ Officer and FN visited Golden Orient Ltd. in Kaohsiung City and interviewed the company's President, Mr. James Yu, and Sales Manager, Ms. Silvia Sun, at the company's new office located at 589, Zhengde Road, Tsoying District, Kaohsiung City.

¶2. (SBU) Ms. Sun told AIT personnel that the company was relocated to the new location on March 28, 2009 as part of the business's expansion plans. Sun said that Golden Orient received approval from the Kaohsiung City Government on 5 May 1997 to conduct trading on commodities, including electronics-related products, diving equipment, aviation and navigation instruments, and computer software. The company currently has twelve employees. President Yu can be reached at the office telephone number 886-7-343-4196. The fax number is 886-7-343-0113. His e-mail address is golden98@ms17.hinet.net.

¶3. (SBU) President Yu told us that Taiwan's military institutes and the Chung-Shan Institute of Science and Technology (CSIST) of Taiwan's Ministry of National Defense are his target customers, whom he has been serving for over a decade. Yu stated that he did not do business outside of Taiwan, nor did he operate offices overseas. Both Yu and Sun said that they were very familiar with U.S. restrictions on the procurement of U.S. Munitions List commodities. Yu mentioned that he recently failed to procure from the US a small quantity of connectors for a local end user, Taiwan's Naval Combat System Shipyard, because his U.S. suppliers were unable to obtain an export license for this commodity.

¶4. (SBU) Golden Orient's office consists of a three-story building located within the Kaohsiung Indigenous Plant Garden. President Yu and the staff work in the offices located on the second and the third floors. The first floor is a garage-style storeroom with access from the front, street side of the building as well as a smaller entry way in the back of the building. This storeroom is accessible by all the company employees. In addition, there is a storage room on the second floor where the company stores smaller commodities. This room is kept locked and only accessible by Mr. Yu and Ms. Sun. The office appears to be secure, with Taiwan Chung Hsing Security Co., Ltd providing round-the-clock monitoring services. Both Yu and Sun appeared well versed in their business and the needs of their customer base. They were cooperative and willing to answer AIT's questions and provided written documentation to support their statements.

¶5. (SBU) Post has no derogatory information in its files concerning

Golden Orient, Ltd. or its owner. Post learned through our Taiwan law-enforcement sources, however, that Mr. Yu was charged with a violation of the regulation "Governing Guns and Knives" in 2002 but was not indicted.

¶6. Comment: Accusations of fraud, forgery, and other business-related crimes are very common in Taiwan, and because this broker was not indicted of any crime, Post believes this information does not call into question the bona fides of the broker. End Comment.

Stanton